



27,  
28

## Planning Commission Staff Report

**TO:** PLANNING COMMISSION

**FROM:** NATHAN WILLIAMS, AICP, SENIOR PLANNER *NW*  
(480) 503-6805, NATHAN.WILLIAMS@GILBERTAZ.GOV

**THROUGH:** CATHERINE LORBEER, AICP, PRINCIPAL PLANNER *cl*  
(480) 503-6016, CATHERINE.LORBEER@GILBERTAZ.GOV

**MEETING DATE:** JANUARY 8, 2020

**SUBJECT:** A. GP19-06: ACERO VAL VISTA, REQUEST FOR MINOR GENERAL PLAN AMENDMENT TO CHANGE THE LAND USE CLASSIFICATION OF APPROX. 14.88 ACRES GENERALLY LOCATED AT THE NORTHEAST CORNER OF QUARTZ STREET AND MELROSE STREET FROM REGIONAL COMMERCIAL (RC) TO RESIDENTIAL > 14-25 DU/ ACRE.

B. Z19-18: ACERO VAL VISTA, REQUEST TO REZONE APPROX. 14.88 ACRES GENERALLY LOCATED AT NORTHEAST CORNER OF QUARTZ STREET AND MELROSE STREET FROM REGIONAL COMMERCIAL (RC) TO MULTI-FAMILY-MEDIUM (MF/M).

**STRATEGIC INITIATIVE:** Prosperous Community

The proposed general plan amendment and rezoning would allow for a multi-family apartment home development on an existing undeveloped regional commercial property.

## **RECOMMENDED MOTION**

- A. Move to recommend to Town Council approval of GP19-06, a Minor General Plan Amendment; and
- B. For the reasons set forth in the staff report, move to recommend approval to the Town Council for Z19-18, as requested, subject to the conditions listed in the staff report.

### **APPLICANT**

Company: Pew & Lake, PLC  
Name: Ralph Pew  
Address: 1744 S. Val Vista Dr. #217  
Mesa, AZ 85204  
Phone: 480-461-4670  
Email: ralph.pew@pewandlake.com

### **OWNER**

Name: Ty LeSueur  
Address: 3850 E. Baseline Rd., Suite #114  
Mesa, AZ 85204  
Phone: 480-424-3400  
Email: ty@lesueurinvestments.com

## **BACKGROUND/DISCUSSION**

### **History**

| <b>Date</b>       | <b>Description</b>   |
|-------------------|--|
| October 23, 2007  | Town Council approved annexation (A07-67) under Ordinance No. 2074 for 39.16 acres of land including the subject site, located at the southwest corner of Val Vista Drive and Willis Road. |
| November 13, 2007 | Town Council approved rezoning (Z07-101) under Ordinance No. 2084 to rezone 39.16 acres, including the subject site, to Town of Gilbert, Regional Commercial (RC) zoning district.         |
| December 4, 2019  | The Planning Commission discussed the proposed GP19-06/ Z19-18, for Acero Val Vista as a study session item.   |

### **Overview**

The subject site is currently an undeveloped 14.88-acre parcel with an existing land use designation of Regional Commercial (RC) and zoned Regional Commercial (RC). The applicant is requesting a change the existing General Plan land use classification to Residential > 14-25 DU/ Acre and is also requesting a rezoning to Multi-Family/ Medium (MF/M) for the subject site.

### **Surrounding Land Use & Zoning Designations**

|       | <b>Existing Land Use Classification</b> | <b>Existing Zoning</b>                | <b>Existing Use</b>                        |
|-------|---|---------------------------------------|--|
| North | Regional Commercial (RC)                | Regional Commercial (RC)              | Existing Congregate Care Living Facilities |
| South | Regional Commercial (RC)                | Regional Commercial (RC)              | Undeveloped                                |
| East  | General Office (GO)                     | General Office (GO)                   | Existing QT Fueling Facility               |
| West  | Public Facility/ Institutional (PF/I)   | Public Facility/ Institutional (PF/I) | Campo Verde High School                    |
| Site  | Regional Commercial (RC)                | Regional Commercial (RC)              | Undeveloped                                |

## **General Plan**

The General Plan request is to change the existing land use of 14.88 acres generally located at northeast corner Quartz Street and Melrose Street. The applicant notes that they are proposing a more viable mix of uses on the subject site as a part of the overall 80-acre Regional Commercial site.

The applicant has noted that the impacts of e-commerce and online retail has negatively impacted the demand for standard retail development on the 14.88-acre site. Additionally, the applicant notes that the location of the site behind existing commercial development with only collector street frontages and not on an arterial street frontage would make this particular subject site, in the applicant's opinion, more difficult to utilize for typical retail development. Staff notes that the subject site is a part of the Val Vista Medical Growth Area as identified in the General Plan and that a wide variety of land uses beyond retail are permitted in Regional Commercial.

## **Val Vista Medical Growth Area**

The Val Vista Medical Growth Area is located south of the Loop 202 Santan Freeway. It extends one-quarter mile west of Val Vista Road, east to Greenfield Road and Queen Creek Road to the south. The hospital is the economic catalyst within this growth area. The hospital, located southeast of the Val Vista Road and Loop 202 Santan Freeway interchange, has spurred growth in the medical office, medical research and rehabilitation/care facilities. Support amenities to the above noted uses are quickly being developed. The Town anticipates that this area will continue to grow with medical office, general office and business park land uses supported by mixed-use, commercial and hospitality uses.

Staff does support adding these specific requests under GP19-06/ Z19-18 for a multi-family residential component to an employment area to provide both nearby housing to hospital and medical office develop on the east side of Val Vista Drive and to help create a mixed-use development of the overall 80 acres of Reginal Commercial (RC) at the northwest corner of Val Vista Drive and Germann Road. The proposed minor general plan amendment supports the goals and policies of the Town of Gilbert General Plan's Land Use and Economic Development chapters as follows:

- Land Use and Growth Areas – Deliver a mix of synergistic land uses that are appropriately located to promote employment opportunities while enhancing Gilbert's quality of life.
- Goal 1.0; Policy 1.1 Maintain a balance of housing types and provide a variety of employment opportunities with easily accessible retail and service uses.
- Goal 1.0; Policy 1.3 Encourage residential development that allows for a diversity of housing types for all age groups and is accessible to a range of income levels.
- Goal 1.0; Policy 1.4 Plan areas for community services, including sites for schools, public safety, utilities, parks, trails and open spaces within new development projects. Surrounding residential densities should be appropriate to these non-residential areas and their uses

- Goal 1.0; Policy 1.8 Promote revitalization of under-utilized industrial and commercial properties.
- Goal 3.0; Policy 3.1 – Promote development within Growth Areas where resources and infrastructure are in place or can reasonably be made available.
- Goal 3.0; Policy 3.5 Promote appropriate mixed-use development within existing land use classifications in identified growth areas that have multi-modal transportation options, including transit or high capacity transportation routes
- Goal 4.0 – Provide a diversity of quality housing types for a variety of lifestyles.
- Goal 4.0; Policy 4.1 Provide an adequate supply of appropriately zoned land to accommodate a variety of future housing needs.
- Goal 4.0; Policy 4.2 Encourage appropriate locations for multi-family residential uses that do not adversely impact lower density residential neighborhoods.
- Goal 4.0; Policy 4.4 High density housing is encouraged near large employment centers and/or transportation corridors.
- Goal 6.0; Policy 6.2 Provide a mix of land uses within each growth area including varied housing types and densities, employment opportunities and access to retail and commercial centers.

### **Rezoning**

The applicant is requesting to rezone 14.88 acres generally located at northeast corner of Quartz Street and Melrose Street from Regional Commercial (RC) to conventional Multi-Family-Medium (MF/M) to permit a multi-family housing development on the subject site. There is no Planned Area Development (PAD) overlay zoning district or associated modifications requested under this application. As such, the overall site design of the subject site will be ultimately reviewed by the Planning Commission/ Design Review Board and will be required to comply with all MF/M zoning district and Land Development Code development standards. The subject site is located within the Town of Gilbert's Vertical Overlay Zoning District (Area 5); however, bonuses for increased building height and reduced setbacks only apply to the RC, GO, BP and PF/I base zoning districts within Area 5 of the Vertical Overlay Zoning District.

The location of the proposed 14.88-acre MF/M zoning district is between the existing QT Fueling station to the east, two (2) Congregate Living facilities to the north and the Campo Verde High School and Quartz Elementary School to the west. The developer/ property owner will be dedicating and will provide for the necessary infrastructure improvements for Quartz and Melrose Streets, and the proportional share of future traffic signalization, etc. as determined by the Town Engineer, if the rezoning request is approved. Staff finds that this rezoning conforms with the General Plan, as amended.

| <b>Site Development Regulations</b>                    | <b>Required per LDC MF/M</b> |
|--|------------------------------|
| Minimum Parcel Area (sq. ft.)                          | 20,000 sq. ft.               |
| Maximum Height (ft.)                                   | 40'                          |
| <b>Minimum Building Setbacks (ft.)</b>                 |                              |
| Front (south)  | 30'                          |
| Side   |                              |
| Non-residential (east)                                 | 20'                          |
| Street (west)  | 30'                          |
| Rear - Nonresidential (north)                          | 20'                          |
| <b>Minimum Required Perimeter Landscape Area (ft.)</b> |                              |
| Front (south)  | 20'                          |
| Side   |                              |
| Non-residential (east)                                 | 15'                          |
| Street (west)  | 20'                          |
| Rear   |                              |
| Non-residential (north)                                | 20'                          |
| Separation between Buildings (ft.)                     | 20'                          |
| Common Open Space (minimum)                            | 40% of net site              |
| Private Open Space (sq. ft.)                           | 60 sq. ft.                   |

### **PLANNING COMMISSION STUDY SESSION – 12/4/2019**

At the Planning Commission Study Session on December 4, 2019, the following feedback was provided:

- The proposed location and newly proposed balance of multi-family residential and commercial portion of the general plan amendment and rezoning requests appears to make sense for this specific site.
- This change should help to create more of an overall mixed-use development on this overall 80-acre area at the northwest corner of Val Vista Drive and Germann Road.
- The proposed improvements of infrastructure of Melrose Street etc., will be helpful in developing this overall 80-acres.
- Some concern of the addition of more multi-family and what that means to the Town of Gilbert as a whole and its balance of land uses.

### **PUBLIC NOTIFICATION AND INPUT**

A notice of public hearing was published in a newspaper of general circulation in the Town, an official notice was posted in all the required public places within the Town and neighborhood notice was provided per the requirements of the Land Development Code Article 5.205.

To date, two (2) neighborhood meetings have been held on the subject request. The first neighborhood meeting was held on October 16, 2018 at the Quartz Elementary School (approx. 8 residents in attendance) and the second neighborhood meeting was held on November 19, 2019 at

the Quartz Elementary School; there were no residents in attendance. The meeting minutes demonstrate that the residents had a number of comments at the original neighborhood meeting, regarding why there is a need for more apartment homes, how the development will impact traffic in the area and how it will be buffered from residential properties to the south; as well as the types of units that would be offered in the apartment homes and how these will compare to other apartment homes in the area.

Staff has received no additional comments from the public at the time this report was written.

### **SCHOOL DISTRICT**

The application materials for the Acero Val Vista minor general plan amendment and rezoning requests have been sent to the Gilbert Unified School District for review. No comments have been received at the time this report was written.

### **PROPOSITION 207**

An agreement to “Waive Claims for Diminution in Value” pursuant to A.R.S. § 12-1134 was signed by the landowners of the subject site, in conformance with Section 5.201 of the Town of Gilbert Land Development Code. This waiver is located in the case file.

### **REASONS FOR THE RECOMMENDATION**

1. The proposed zoning amendment conforms to the General Plan as amended, any applicable Specific Area Plan, neighborhood, or other plan and any overlay zoning district.
2. All required public notice has been conducted in accordance with applicable state and local laws.
3. All required public meetings and hearings have been held in accordance with applicable state and local laws.
4. The proposed rezoning supports the Town’s strategic initiative for Community Livability. It supports the motto “Gilbert: Clean, Safe, Vibrant.”

### **STAFF RECOMMENDATION**

- A. Recommend to the Town Council approval of GP19-06, to change the land use classification of approx. 14.88 acres, generally located at the northeast corner Quartz Street and Melrose Street from Regional Commercial (RC) to Residential > 14 – 25 DU/Acre land use classification; and
- B. For the following reasons: the development proposal conforms to the intent of the General Plan and can be appropriately coordinated with existing and planned development of the surrounding areas, and all required public notice and meetings have been held, the Planning Commission moves to recommend approval of Z19-18 rezoning approx. 14.88 acres generally located at the northeast corner of Quartz Street and Melrose Street from approx.

14.88 acres of Regional Commercial (RC) zoning district to approx. 14.88 acres of Multi-Family/ Medium (MF/M) zoning district, subject to the following conditions.

- a. Dedication to Gilbert for Quartz Street right-of-way that is adjacent to the Property shall be completed prior to or at the time of recordation of the final plat or sooner as required by the Town Engineer. Dedication of Quartz Street shall extend 40 feet from the center line.
- b. Dedication to Gilbert for Melrose Street right-of-way, both adjacent to the Property and extending east to Val Vista Drive, shall be completed prior to or at the time of recordation of the final plat or sooner as required by the Town Engineer. Dedication of Melrose Street shall align with the existing Melrose Street at the intersection with Val Vista, and shall extend 40 feet north of the center line.
- c. Construction of off-site improvements to Quartz Street adjacent to the Property shall be completed prior to issuance of a certificate of occupancy or final approval of any building constructed on the Property or at the time requested by Gilbert, whichever is earlier.
- d. Construction of off-site improvements to Melrose Street, both adjacent to the Property and extending east to Val Vista Drive, shall be completed prior to issuance of a certificate of occupancy or final approval of any building constructed on the Property or at the time requested by Gilbert, whichever is earlier. The intersection of Val Vista and Melrose shall include full-width improvements (including a dedicated west-bound left turn lane), with appropriate tapers to the east as approved by the Town Engineer.
- e. At the written request of Gilbert, Developer shall dedicate all necessary easements for the roadway improvements, including easements for drainage and retention and temporary construction easements. Failure to dedicate said easements within thirty (30) days after the date of Gilbert's written request may result in the reversion of the zoning of the Property to the prior zoning classification.
- f. Developer shall create a Property Owner's Association (POA) for the ownership, maintenance, landscaping, improvements and preservation of all common areas and open space areas, and sidewalks and landscaping within the rights-of-way. Maintenance responsibilities for common areas and open space areas shall be specified on the approved site plan or final plat.

- h. Developer shall record easements to be owned by the POA for pedestrian, bicycle, multi-use or trail system purposes as determined by the final plat, at the time of final plat recordation, or earlier if required by the Town Engineer. Such easements shall be open to public access and use.
- i. Prior to recordation of the Final Plat, Developer shall enter into a Reimbursement and Lien Agreement agreeing that Developer will reimburse Gilbert 50% of the estimated costs of design and construction of a future traffic signal at Melrose and Val Vista. Payment shall be made prior to issuance of a certificate of occupancy or final approval of any building constructed on the Property.

Respectfully submitted,  
/S/  
Nathan Williams, AICP  
Senior Planner

**Attachments and Enclosures:**

- 1) Notice of Public Hearing Map
- 2) Land Use Exhibit
- 3) Zoning Exhibit
- 4) Legal Description
- 5) Minutes from the Planning Commission Study Session of December 4, 2019 (10 pages)
- 6) Correspondence from Gilbert Chamber of Commerce
- 7) Project Narrative (15 pages)



# Notice of Public Hearing

GP19-06/Z19-18 Acero Val Vista  
Attachment 1: Notice of Public Hearing Map  
January 8, 2020

**PLANNING COMMISSION DATE:**

**Wednesday, January 8, 2020\* TIME: 6:00 PM**

**TOWN COUNCIL DATE:**

**Tuesday, February 18, 2020\* TIME: 6:30 PM**

\*Call Planning Division to verify date and time: (480) 503-6805

**LOCATION: Gilbert Municipal Center  
Council Chambers  
50 E. Civic Center Drive  
Gilbert, Arizona 85296**

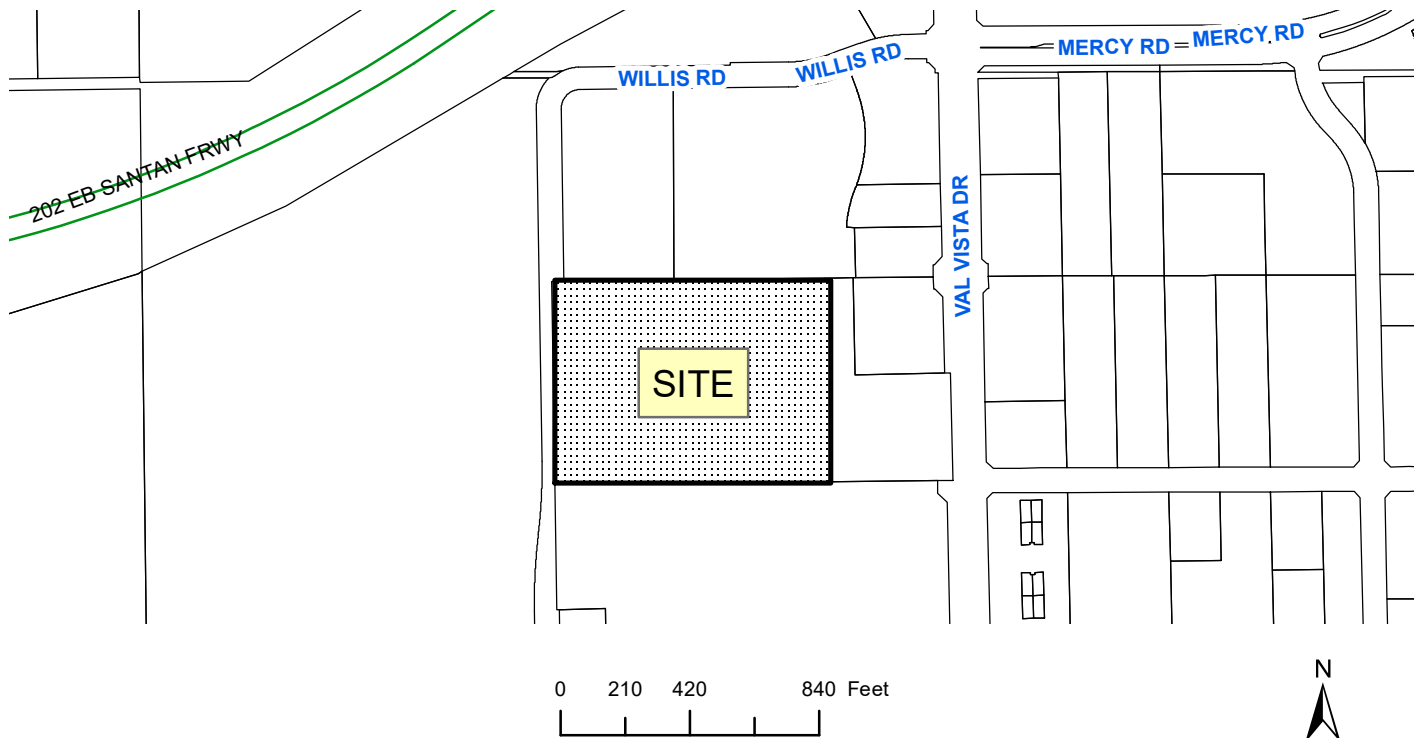
\* The application is available to the public for review at the Town of Gilbert Planning Division Monday - Thursday 7AM - 6PM. Staff reports are available prior to the meeting at [www.gilbertaz.gov/departments/development-services/planning/planning-commission](http://www.gilbertaz.gov/departments/development-services/planning/planning-commission) and [www.gilbertdocs.com/gilbertagendaonline](http://www.gilbertdocs.com/gilbertagendaonline).

## REQUESTED ACTION:

**GP19-06 ACERO VAL VISTA:** Request for Minor General Plan Amendment to change the land use classification of approx. 14.88 acres generally located at the northeast corner of Quartz Street and Melrose Street from Town of Gilbert Regional Commercial (RC) to Town of Gilbert Residential > 14-25 DU/ Acre. The effect will be to permit a multi-family uses on the subject site.

**Z19-18 ACERO VAL VISTA:** Request to rezone approx. 14.88 acres generally located at northeast corner of Quartz Street and Melrose Street from Town of Gilbert Regional Commercial (RC) to Town of Gilbert Multi-Family-Medium (MF/M). The effect will be to permit a multi-family housing development on the subject site.

## SITE LOCATION:



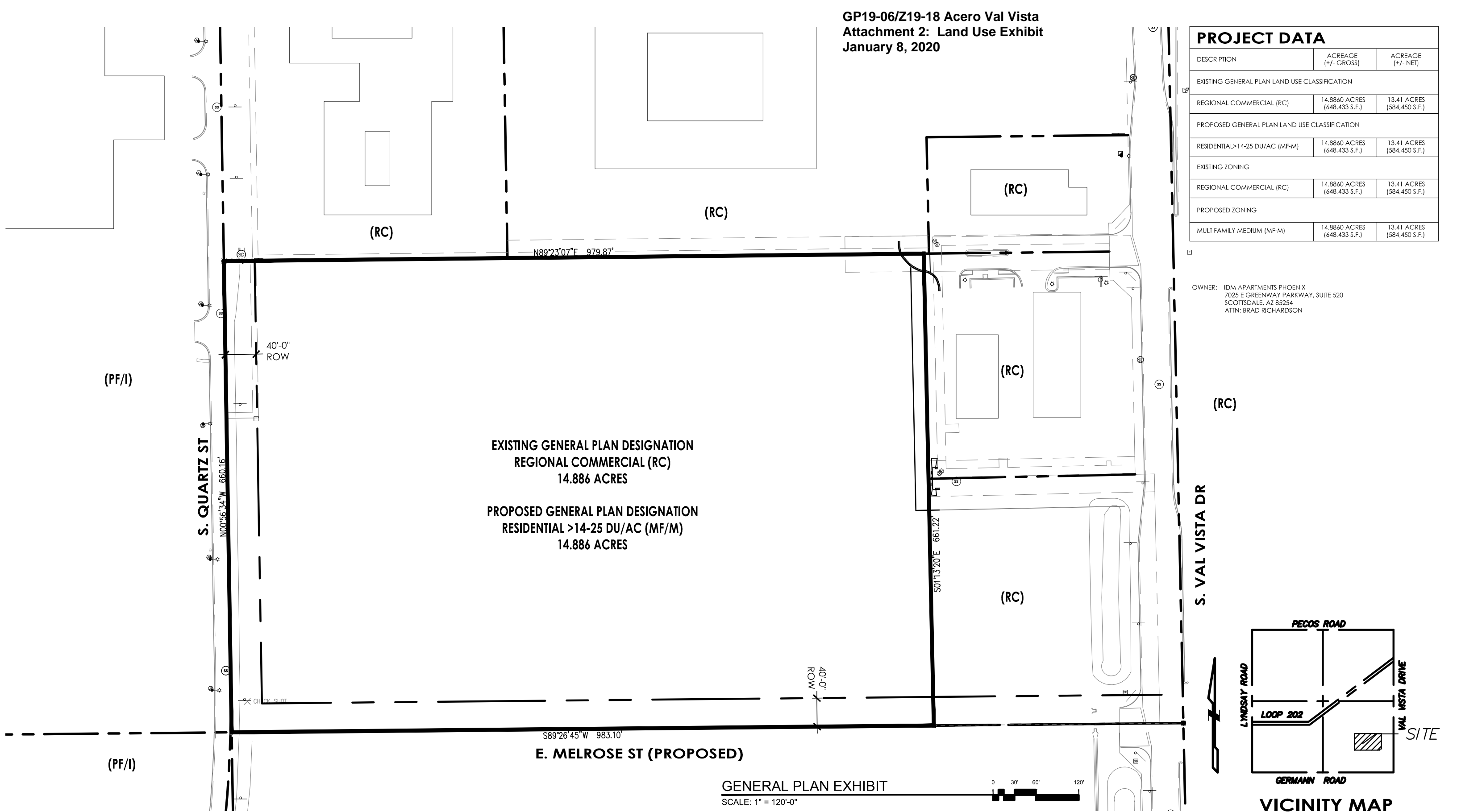
**APPLICANT: Pew & Lake PLC**  
**CONTACT: W. Ralph Pew**  
**ADDRESS: 1744 S. Val Vista Dr., Suite 217**  
**Mesa, Arizona 85204**

**TELEPHONE: 480-461-4670**  
**E-MAIL: [ralph.pew@pewandlake.com](mailto:ralph.pew@pewandlake.com)**

PROJECT DATA

| DESCRIPTION                                   | ACREAGE<br>(+/- GROSS)          | ACREAGE<br>(+/- NET)          |
|---|---------------------------------|-------------------------------|
| EXISTING GENERAL PLAN LAND USE CLASSIFICATION |                                 |                               |
| REGIONAL COMMERCIAL (RC)                      | 14.8860 ACRES<br>(648,433 S.F.) | 13.41 ACRES<br>(584,450 S.F.) |
| PROPOSED GENERAL PLAN LAND USE CLASSIFICATION |                                 |                               |
| RESIDENTIAL>14-25 DU/AC (MF-M)                | 14.8860 ACRES<br>(648,433 S.F.) | 13.41 ACRES<br>(584,450 S.F.) |
| EXISTING ZONING                               |                                 |                               |
| REGIONAL COMMERCIAL (RC)                      | 14.8860 ACRES<br>(648,433 S.F.) | 13.41 ACRES<br>(584,450 S.F.) |
| PROPOSED ZONING                               |                                 |                               |
| MULTIFAMILY MEDIUM (MF-M)                     | 14.8860 ACRES<br>(648,433 S.F.) | 13.41 ACRES<br>(584,450 S.F.) |

OWNER: IDM APARTMENTS PHOENIX  
7025 E GREENWAY PARKWAY, SUITE 520  
SCOTTSDALE, AZ 85254  
ATTN: BRAD RICHARDSON



GENERAL PLAN EXHIBIT

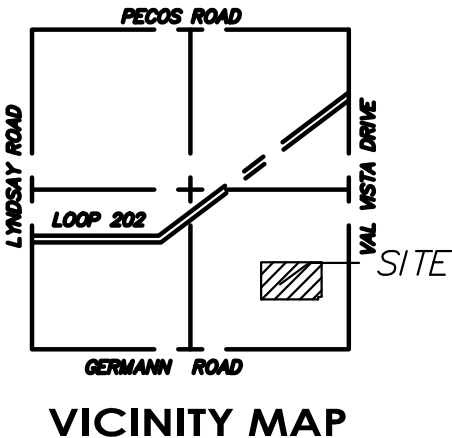
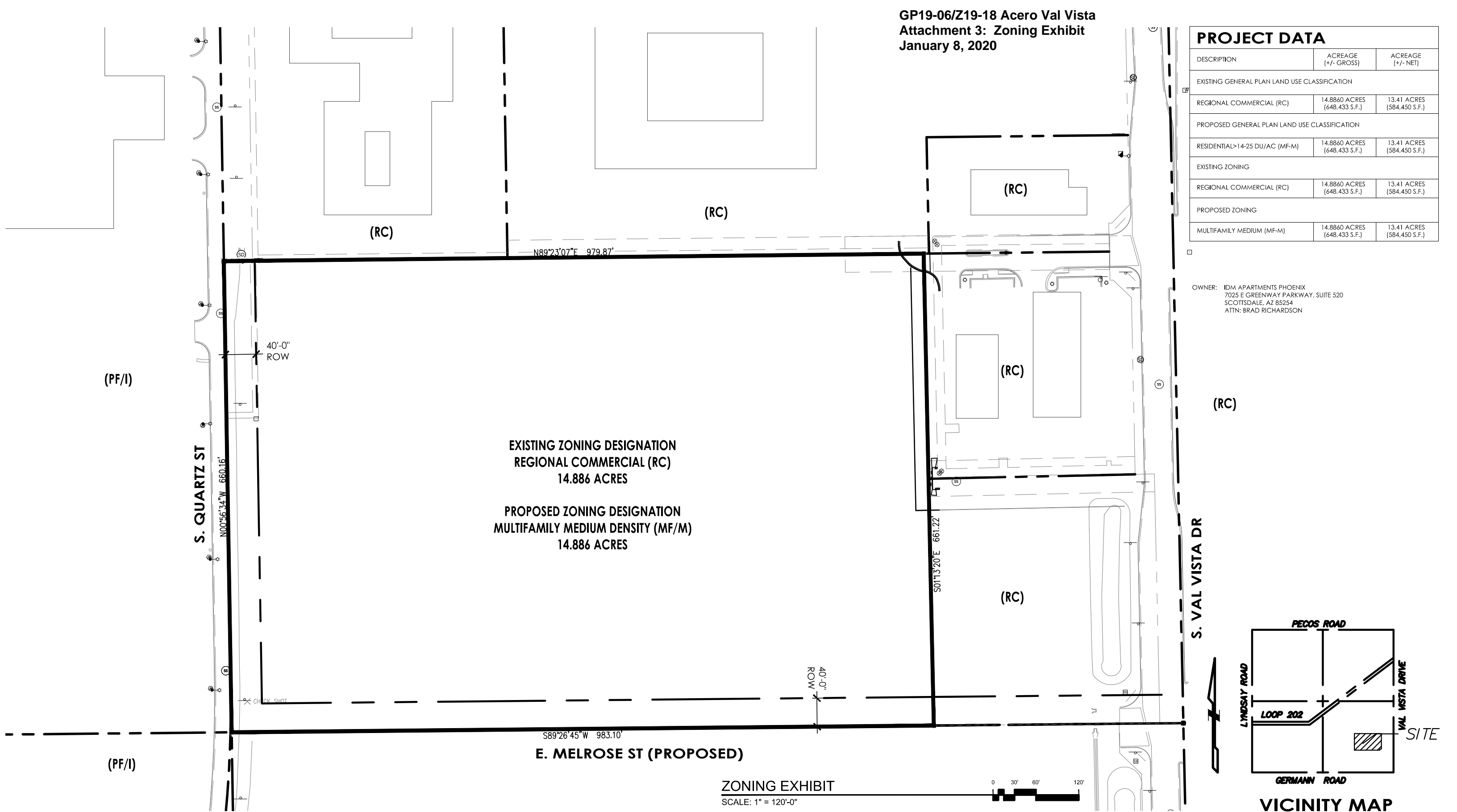
SCALE: 1" = 120'-0"

VICINITY MAP

PROJECT DATA

| DESCRIPTION                                   | ACREAGE<br>(+/- GROSS)          | ACREAGE<br>(+/- NET)          |
|---|---------------------------------|-------------------------------|
| EXISTING GENERAL PLAN LAND USE CLASSIFICATION |                                 |                               |
| REGIONAL COMMERCIAL (RC)                      | 14.8860 ACRES<br>(648,433 S.F.) | 13.41 ACRES<br>(584,450 S.F.) |
| PROPOSED GENERAL PLAN LAND USE CLASSIFICATION |                                 |                               |
| RESIDENTIAL>14-25 DU/AC (MF-M)                | 14.8860 ACRES<br>(648,433 S.F.) | 13.41 ACRES<br>(584,450 S.F.) |
| EXISTING ZONING                               |                                 |                               |
| REGIONAL COMMERCIAL (RC)                      | 14.8860 ACRES<br>(648,433 S.F.) | 13.41 ACRES<br>(584,450 S.F.) |
| PROPOSED ZONING                               |                                 |                               |
| MULTIFAMILY MEDIUM (MF-M)                     | 14.8860 ACRES<br>(648,433 S.F.) | 13.41 ACRES<br>(584,450 S.F.) |

OWNER: IDM APARTMENTS PHOENIX  
7025 E GREENWAY PARKWAY, SUITE 520  
SCOTTSDALE, AZ 85254  
ATTN: BRAD RICHARDSON





**Legal Description  
Acero Val Vista**

Job No. 19-0698

10/15/19

A portion of the Southeast Quarter of Section 5, Township 2 South, Range 6 East of the Gila and Salt River Meridian, more particularly described as follows:

**COMMENCING** at the East Quarter Corner of said Section 5, being marked by a Brass Cap, from which the Southeast Corner of said Section 5, being marked by a Brass Cap bears South 1 degrees 13 minutes 20 seconds East, 2650.09 feet;

thence along the East line of said Southeast Quarter, South 1 degrees 13 minutes 20 seconds East, 1325.05 feet to the Southeast Corner of the Northeast Quarter of said Southeast Quarter;

thence along the South line of said Northeast Quarter, South 89 degrees 26 minutes 45 seconds West, 349.41 feet to the **POINT OF BEGINNING**;

thence continuing along said South line, South 89 degrees 26 minutes 45 seconds West, 983.10 feet to the Southwest Corner of the Northeast Quarter of said Southeast Quarter;

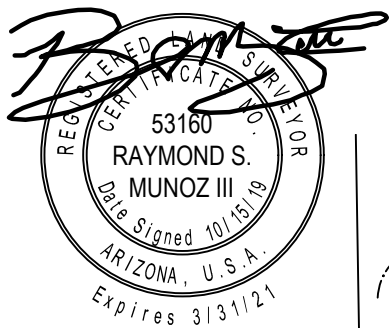
thence along the West line of said Northeast Quarter, North 0 degrees 56 minutes 34 seconds West, 660.16 feet;

thence North 89 degrees 23 minutes 07 seconds East, 979.87 feet;

thence South 1 degrees 13 minutes 20 seconds East, 661.22 feet to the **POINT OF BEGINNING**.

Contains 648,433 square feet or 14.8860 acres, more or less.





EXST  
40' R/W

APN 304-54-081  
GILBERT UNIFIED SCHOOL DISTRICT NO 41

N00°56'34"W 660.16'

APN 304-54-093  
GILBERT AL PARTNERS LP

APN 304-54-099  
ASPENS AT MARIPOSA POINT LP

APN 304-54-095  
VAL VISTA CAR WASH LLC

N89°23'07"E 979.87'

**SUBJECT PARCEL**  
**648,433 SF ±**  
**14.8860 AC ±**

APN 304-54-016G  
H RUDOLPH COMPANY LLC

APN 304-54-016J (PORTION)  
LESUEUR INVESTMENTS II LLC

983.10'  
S89°26'45"W 1332.51'

POB

SW COR, NE 1/4, SE 1/4,  
SEC 5, T2S, R6E

APN 304-54-015D  
LESUEUR INVESTMENTS II LLC

SE COR, NE 1/4, SE 1/4,  
SEC 5, T2S, R6E

349.41'

SE COR, SEC 5, T2S, R6E  
BRASS CAP

POC  
BRASS CAP

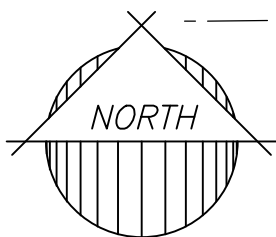
E 1/4 COR, SEC 5, T2S, R6E  
BRASS CAP

1325.05'

S01°13'20"E 2650.09'

S VAL VISTA DR

1325.05'



19-0698

ACERO VAL VISTA

EXHIBIT



1130 N Alma School Rd  
Ste 120 Mesa, AZ 85210  
T: 480.503.2250 | F: 480.503.2258  
www.epsgroupinc.com

**TOWN OF GILBERT  
PLANNING COMMISSION - STUDY SESSION**

**Council Chambers  
50 E. Civic Center Drive, Gilbert, AZ  
December 4, 2019**

**COMMISSION PRESENT:**

Brian Andersen, Chair  
Carl Bloomfield, Vice Chair  
Noah Mundt  
Scott September  
Jän Simon  
Philip Alibrandi, Alternate

**COMMISSION ABSENT:**

David Cavenee  
Les Smith  
Nathan Mackin, Alternate

**STAFF PRESENT:**

Sydney Bethel, Planner II  
Keith Newman, Planner II  
Josh Rogers, Planner II  
Amy Temes, Senior Planner  
Nathan Williams, Senior Planner  
Eva Cutro, Planning Division Manager  
Nancy Davidson, Assistant Town Attorney

**RECORDER:**

Dana Desing

**COUNCIL LIAISON PRESENT:**

Brigette Peterson

**CALL TO ORDER**

Chair Brian Andersen called the December 4, 2019 Planning Commission Study Session to order at 5:03 p.m.

**1. DR19-150 FOX EARTH STATION: Site plan, landscape, grading and drainage, elevations, floor plans, lighting, colors and materials for approx. 3.57 acres, generally located east of the southeast corner of Horne St. and Merrill Ave., and zoned Light Industrial (LI).**

Planner Keith Newman presented DR19-150, Fox Earth Station for Design Review. The property is located east of the northeast corner of Horne Street and Merrill Avenue and consists of four existing pre-platted lots in the Fuller Industrial Park. There are other existing developments and buildings in the surrounding area and staff is happy that the industrial park is filling in. The applicant is proposing to construct a new satellite earth station on 2.8 acres with an unmanned 4,700 square-foot single-story building located approximately in the middle of the site as well as twenty 4.6-meter antennas and four 9-meter satellite dishes. The antennas are approximately 17.5 feet tall and will be located towards the back of the project site. The 9-meter (30-foot) satellite dishes will be located towards the front of the site. Landscaping will provide screening of the equipment from Merrill Avenue with Palo Verde trees planted 25-feet on center. Once the trees mature, the tops of the satellite dishes will be barely visible. The site will be accessed via two existing cul-de-sacs and maintenance vehicles will enter off of Melba Court through a gated access and exit onto Leland Court through a gated access. Five parking stalls are proposed for the site, although technically none are required as there are no parking calculations for this type of facility in the Land Development Code. Staff is grateful that the applicant is providing these parking stalls, although they will be seldom used mostly for maintenance purposes. The applicant has stated that the facility may be visited by a technician once or twice a month. All of the landscaping is proposed along the perimeter of the property and no landscaping is required on the interior of the development. There will be a combination of 8 and 10 foot walls along the frontage of the property on Merrill Avenue and 8 foot walls towards the rear of the property to provide screening from the surrounding properties and the public.

The building elevations show a single-story concrete building with variations through exposed aggregate and ribbed concrete. Staff did not feel additional horizontal movement was necessary and liked the materials used for this type of industrial building that would be unmanned 99% of the time. On the south elevation, there are garage doors and mechanical equipment which will be screened by the 8-foot wall. A rendering was provided showing the placement and height of the antennas compared to mature trees and screen walls. The building colors include tan and white. The floor plan shows the mechanical rooms, generators, and office and storage space.

Staff is requesting input from the Commission regarding the overall building architecture and design of the site.

#### **COMMISSION QUESTIONS/COMMENTS:**

Commissioner September felt it was a nice design for an unmanned satellite earth station. He appreciated the wall surrounding the facility as well as the depth and movement. He appreciated the tree canopy to help mitigate any visual impact of the larger antennas. He has seen other such facilities around town and mentioned one on Guadalupe Road that does not look as nice as this. He appreciated the effort in the design.

Mr. Newman noted that the applicant is looking to obtain construction documents at risk for this project and this item will come back before the Commission next month hopefully on the consent calendar.

#### **2. DR19-175 MESA CUSTOM MACHINING CORP: Site plan, landscaping, grading and drainage, elevations, floor plans, lighting, and colors and materials for approximately 2.4 acres, generally located at 1640 West Sunrise Boulevard, and zoned Light Industrial (LI) with a Planned Area Development (PAD) overlay.**

Planner Sydney Bethel reviewed the subject site of 2.8 acres zoned Light Industrial (LI) with a Planned Area Development (PAD) overlay, located west of the northwest corner of McQueen Road and Sunrise Boulevard within the Sunrise Business Park. This business park was originally platted in the mid-80s and has been slowly filling in. The proposal is for an addition of just under 12,000 square feet to an existing building of just under 15,000 square feet that was constructed in the mid-1990s. The addition will be for the existing manufacturing business, Mesa Custom Machining Corporation. All of the site improvements are existing on the site area. The master site plan that was originally approved in 1995 shows the existing Building B as well as Building A as the proposed addition. The addition was proposed and approved in 2007, although it was not constructed. The colors and materials are either the same or very comparable to the existing building with CMU block and variation in color with grays and a blue accent. The building elevation has a slight variation with the parapet roofline. The proposal is in line with the existing development and what was originally approved in 1995 and 2007.

Staff is requesting general feedback from the Commission regarding the site design and whether approval may be granted administratively after any outstanding comments have been addressed.

#### **COMMISSION QUESTIONS/COMMENTS:**

Vice Chair Bloomfield noted that this project has been approved twice before and he appreciated that the economy was now good enough for the applicant to build at this time. He felt the applicant did a great job. He would support the project moving forward with administrative approval.

Chair Andersen confirmed that the rest of the Planning Commission agreed to administrative approval for this project.

#### **3. GP19-09 THE BUNGALOWS ON ASH: Request for Minor General Plan Amendment to change the land use classification of approx. 15.91 acres generally located north of the northeast corner of Gilbert Rd. and Houston Ave., from General Commercial to Residential > 8-14 DU/Acre.**

**Z19-21 THE BUNGALOWS ON ASH: Request to rezone approx. 15.91 acres generally located north of the northeast corner of Gilbert Road and Houston Ave. from General Commercial (GC)**

**zoning district with a Planned Area Development (PAD) overlay to Multi-Family-Low (MF-L) zoning district with a Planned Area Development (PAD) overlay.**

**DR19-143 THE BUNGALOWS ON ASH: Site plan, landscaping, grading and drainage, elevations, floor plans, lighting, and colors and materials for approximately 15.91 acres, generally located north of the northeast corner of Gilbert Rd. and Houston Ave., and pending rezoning to Multi-Family-Low (MF-L) zoning district with a Planned Area Development (PAD) overlay.**

Planner Josh Rogers reviewed the Minor General Plan Amendment, rezone and design review for The Bungalows on Ash. The site is located north of the northeast corner of Gilbert Road and Houston Avenue, north of the existing Sam's Club and south of the existing Dignity Health facility. The original master plan for medical office, retail, and shopping center was approved in the late 1980s, although nothing ever came of it. A few years later, Price Club came in with a development plan and amended the original PAD for a main anchor club store and associated restaurants and other facilities along Gilbert Road. The Bungalows site was originally intended as a Phase 2 with a large anchor tenant and supporting restaurant and retail along the street. In the early 1990s, five or six different developments were approved for those supporting industries including an IHOP, Kyoto Bowl, and a few others, although because there was no main anchor tenant, those were never built.

The applicant is requesting a General Plan Amendment to change from General Commercial to Residential >8-14 DU/Acre. The site itself is almost 16 acres and this development plan will have an average density of 11 DU/Acre. The rezoning request is to go from General Commercial (GC) PAD to Multi-Family-Low (MF-L) with a PAD. Internal meetings have been held with the applicant and as a result the amount of deviations requested has been drastically reduced. The only deviations being requested are a decrease in the internal building separation requirement from 20' to 10' as well as a perimeter wall modification from the required 8' to 6' for aesthetic purposes. Staff has requested that the building be limited to one story. The applicant is proposing 166 units with a mix of one, two, and three-bedroom units.

Staff has noted that rezoning this site from General Commercial to Multi-Family will result in increased setbacks for the neighboring properties to the north and the Sam's Club to the south in the event they ever want to add to their properties or redevelop those sites in the future. If these requests were to be approved, the current building setback of 20' would increase to 75' next to Multi-Family and would place a burden on the neighboring sites for any future development. Staff would like feedback from the Commission regarding this concern.

The proposed project will have one main entry off of Gilbert Road with a fire access to the north. The exhibit provided is the original site plan which shows combined private and public open space with private back yards along the perimeter. Through discussions with staff, the applicant decided that was not the best plan. An updated site plan has not yet been submitted. The Development Plan is currently the most accurate version to date and includes a walking trail and trees in the perimeter landscape area. There is a lush landscape plan with central open space as well as a fire pit area along the eastern boundary of the site that connects to the public park to the east. There are no internal separation walls except for those separating the individual back yards of the homes. The wall plan contains a mix of theme walls and view fencing. The applicant is proposing for rent single-story detached multi-family units that resemble single-family homes. There will be a mix of single-story one-bedroom attached units with side entry and 2-bedroom and 3-bedroom single-family units. The details are still being worked out with regard to attached or detached garages. There will be a central office as well as a clubhouse. Staff is looking for input from the Commission regarding the general site design and elevations.

#### **COMMISSION QUESTIONS/COMMENTS:**

Vice Chair Bloomfield noted staff's concerns regarding future setbacks for the adjacent properties. He did not see how that would affect Sam's Club much as it has been there for 20 or 30 years. Dignity Health has an open pad that is available for development. He asked if this was a big enough concern for staff to request that the applicant notify and obtain letters from the adjacent property owners regarding this proposal or has there been sufficient notification and public meetings.



Mr. Rogers stated staff is looking at different options for enhanced notification to ensure that the adjacent property owners understand the impact this rezone and General Plan change will have on their properties.

Vice Chair Bloomfield asked if an exemption or reduced setback would be possible in the future if Dignity Health were to develop into the new setback.

Mr. Rogers stated that Dignity Health would have to go through the PAD themselves for a modification. Staff is also researching other options. As long as Dignity Health stays with the approved plan, that would be vested. He noted that the Sam's Club is 30 years old and many of their locations have closed in recent years. If a new tenant came in and wanted to redevelop or add to the site, the new setback would present a fairly significant impact with an area of approximately 50 by 700 feet.

Vice Chair Bloomfield was concerned that those affected property owners may not have had an opportunity to voice their concerns with the impact this project would have on their setbacks. With regard to the design review, he asked if the adjacent park to the east of the site was associated with this neighborhood or was it an area that is maintained by the town. Does the retention spill over into that area as part of the overall master plan?

Mr. Rogers advised that the adjacent area is just a public park. He did not have the information immediately available regarding the retention and drainage but will obtain that for the Commission.

Commissioner Alibrandi did not feel that changing from General Commercial to residential would be considered a minor amendment. He has served on this Commission for over a year and it seems that there are many requests to go from General Commercial or Light Industrial towards residential. He has never seen that go the other way. He understood that the location is an issue and we want good multi-family in town as well, although he asked if there was any way to track the number of parcels going from commercial or industrial to residential. He has voiced the concern before that with this trend we may find in 20 years that we have allowed so many things to go to residential that there is not enough commercial left for employment areas so that we can have places to live, work and play in Gilbert.

Mr. Rogers stated that staff does keep tabs on a daily basis regarding how much land is in each category and that information is available. He noted that most of the services are paid for by commercial and the town does not earn a lot of tax dollars from residential. That is all taken into consideration when these types of rezoning requests and General Plan changes come through. He agreed that the town is running out of commercial land.

Commissioner Alibrandi stated there have been a number of situations where small slivers of an overall package were changed to residential. It makes sense to be able to live, work and play in the same area. He understood that this infill area has been empty for many years and this is an opportunity to develop it. He did not want to get in the way of people doing what they want with their land; however, the owner purchased this land with the known zoning and General Plan. He was concerned that everyone feels they can come in and change these things. We want to encourage smart growth and development, although his concern is that there be some oversight as to how much is being moved to residential and that we retain the ability to grow the commercial and light industrial base 5, 10, or 20 years in the future.

Mr. Rogers stated that staff does work with internal departments, especially Economic Development, to keep tabs on these changes as well as making recommendations based off of those findings.

Eva Cutro, Planning Division Manager, stated that is something that is considered with the update to the General Plan and the Land Use Map. No one knows what the magic number would be as trends change and industry changes. It is something that is watched and staff works with Economic Development to review any changes to zoning. The Chamber of Commerce also looks at such changes. While staff and many of our residents share Commissioner Alibrandi's concern, it is something that is monitored knowing that we do need to preserve our employment and retail areas. We do want the live, play, work combination. The General Plan is reviewed annually and updated every 10 years.

Commissioner Alibrandi recommended having a specific number in place within the General Plan to be preserved for commercial and industrial. As a true Planning Commission, if a developer is following the master plan, we shouldn't be looking at such changes.

Commissioner Mundt asked if all of the past changes in zoning would be taken into account as we develop new percentages for the General Plan update.

Ms. Cutro advised that the Land Use Map will be updated as well in conjunction with the General Plan update and such changes are taken into account in that process.

Chair Andersen asked how long this site has been vacant.

Mr. Rogers advised that the first commercial development plan was brought in the late 1980s. There have been five or six supporting retail shops and restaurants along Gilbert Road that were approved but were never built as there was no anchor tenant at the time. Historically, this has been a tough site for commercial development.

Chair Andersen understood Commissioner Alibrandi's point and agreed 100% that land owners should be able to do what they want with their land. This is a commercial site that has been sitting vacant for 30 years and the land owner has had a hard time getting it developed as a commercial site. They now have an opportunity for residential to come in. He agreed that it is a weird spot for a multi-family site separating the two commercial sites with Dignity Health and Sam's Club. He noted that years ago, Chandler Boulevard was a two-way dirt road and farm land. He felt most people back then thought it would still be farm land 20 years out. It is just a progression of development and trending. He would support the zoning change on this site.

Commissioner Alibrandi noted this empty site is next to Dignity Health with other commercial and retail above and below the site as well as it being right on a major thoroughfare in town within two miles of the US60. If it were Light Industrial or Commercial, he would be all for it, although if there is a recession in the next few years, we will probably have a lot of empty buildings. The dilemma is that 20 years from now we will have all these homes and not enough jobs in town so that people will be driving to Phoenix or Mesa or Chandler or Florence to work. He was trying to understand the balance. If there was one spot that should be easy to get General Commercial or Light Industrial, this would be it. This may be a larger discussion for another day.

Commissioner Simon agreed with Commissioner Alibrandi and felt that we are sometimes too quick to jump to infill projects with residential. He felt this was a large enough piece of land that it doesn't fall into an infill situation. He did not want Gilbert to end up as another bedroom community as we would be losing out on potential income down the road. If the site does sit empty for another 20 years, is that such a bad thing? He understood that we can pull tax money out of the initial build on residential, but wondered if there was the opportunity for some type of Light Industrial or Office on this site.

Vice Chair Bloomfield noted that we do not yet have a full design review package. There is a similar product across Warner from this area and he felt not enough was done as a Planning Commission to make sure that the rear yards were landscaped and the product was desirable. This will be for rent housing with the master HOA taking care of everything. The exhibit shows trees in every yard. He wanted to confirm that this really is the plan moving forward and not just a concept. He understood that the Commission will see this item again, but he wanted the applicant to know that is important to him. The housing shown was pretty basic entry-level housing and he felt that should be revisited to dress it up to meet with the Gilbert standard and to make sure it would be maintained over time and still be attractive 20 years down the road.

Commissioner Simon understood there would only be one egress point for residents as the second access would be gated for Fire access only. He was concerned with 166 units that there is only one egress point.

Chair Andersen, through his experience, believed the north access would be for Fire but would most likely also be for residential egress out of the site. He was in favor of the General Plan change and the rezoning case, although he was not in favor of the Design Review portion as he felt the back yards would be more inviting if they had walls. He asked if there were access gates to the back yards for Fire.

Mr. Rogers stated staff is still working with Fire regarding the Fire code due to the mix of single-family and multi-family.

Chair Andersen felt that was something that needed to be worked out in terms of Fire access for the homes. He understood the concept and this seems to be a hot product now and a lot of it is being built. He felt the design was not that impressive and the units appeared to be prefabricated or modular units.

The applicant advised that the units would be site built.

Chair Andersen felt there was a higher standard of design here in Gilbert. He would highly encourage the applicant to take another look at the design to make it look a little bit more residential. He felt even the clubhouse was not in character with the rest of the architecture.

Mr. Rogers will work with the applicant to address the issues raised by the Commission.

**4. GP19-06: ACERO VAL VISTA, Request for Minor General Plan Amendment to change the land use classification of approx. 14.88 acres generally located at the northeast corner of Quartz Street and Melrose Street from Regional Commercial (RC) to Residential > 14-25 DU/ Acre.**

**Z19-18: ACERO VAL VISTA, Request to rezone approx. 14.88 acres generally located at northeast corner of Quartz Street and Melrose Street from Regional Commercial (RC) to Multi-Family-Medium (MF/M) zoning district.**

Chair Andersen recused himself from the discussion on this item.

Senior Planner Nathan Williams presented the Acero Val Vista request for Minor General Plan Amendment and rezone from Regional Commercial (RC) to Multi-Family-Medium (MF/M). The site is just under 15 acres and is generally located at the northwest corner of Germann and Val Vista Roads and is more specifically described as Melrose and Quartz Streets. Campo Verde High School and Quartz Elementary are located to the west of the site, an existing congregate care facility to the north, a QT gas station to the east as well as a car wash, Dutch Bros. and some other retail pads along Val Vista to the east. This site is part of the overall 80-acre Regional Commercial Zoning District that was created when it was annexed into the town in 2007. It is not located in the San Tan Character Area, but in the Val Vista Medical Growth Area. The request is for a General Plan Amendment to >14-25 DU/Acre with Multi-Family-Medium zoning. The applicant is requesting conventional zoning which relates to the development standards in the Land Development Code for Multi-Family-Medium. If this request were to be approved, the Planning Commission would see it at the DR level in the future. A preliminary site plan was provided for reference only to show what this could potentially look like at a DR level, although this is not something that would be mandated through the zoning as it is a conventional zoning request. The Melrose alignment would need to be constructed from Val Vista to Quartz according to town standards as part of this approval. The site is not located on the arterial frontage of either Val Vista or Germann which does provide some level of transitional development between the commercial uses to the north and future Regional Commercial to the south. There have been a number of proposals on the overall 80 acres over the years and a multi-family component has been a part of that for a long time as was allowed through a use permit process that the town no longer has. Many of the renditions for this site were not as well-designed in terms of physical location and tended to not take into account that Melrose was a collector street. There is currently no recommendation from staff on this request, although Mr. Williams felt this was a much better design than we have seen on this site in the past. The Chamber of Commerce has provided a letter in support of this request as long as the requisite infrastructure development is provided.

Staff is requesting input from the Planning Commission regarding the General Plan Amendment and rezoning as well as the rebalancing of uses on the site.

## COMMISSION QUESTIONS/COMMENTS:

Commissioner Alibrandi expressed the same concern as in the prior agenda item regarding residential versus commercial and not having enough commercial property in the future.

Commissioner September advised that he met with the applicant regarding this proposal. He does like some elements and felt it was one of the better multi-family proposals staff has seen over the years. He liked the fact that this multi-family use would support the Val Vista Medical Growth area in terms of providing another option for housing in that area. He liked the idea that Melrose would be developed as part of this project.

Commissioner Simon noted that in the prior item he was against the downzoning, although this one he felt makes sense in this location and with the development of Melrose. He felt this project could be good for the overall area.

Vice Chair Bloomfield also liked the project. The whole area is zoned RC with commercial on the frontage of Val Vista where it should be. This is a nice transition and the project is sandwiched in between the high school and the commercial and medical complex. He felt it was a fine use in the location and felt there would have inevitably been some type of multi-family higher density residential here as part of the RC zoning. That is the nature of what we have seen through the town on RC zoning. He felt this was no surprise. It provides a framework to do it without having to do the cross access and trying to make it fit together. Melrose would have always provided that challenge and this plan kind of solves that issue.

**5. GP19-13 VICTORY PLAZA: Request for Minor General Plan Amendment to change the land use classification of approx. 7.07 acres generally located at the southwest corner of Greenfield Rd. and Queen Creek Rd. from Residential >0-1 DU/Acre to Community Commercial (CC).**

**Z19-25 VICTORY PLAZA: Request to rezone approx. 7.07 acres generally located at the southwest corner of Greenfield Rd. and Queen Creek Rd. from Single Family-35 (SF-35) and Single Family-43 (SF-43) to Community Commercial (CC) zoning district with a Planned Area Development (PAD) overlay.**

Planner Keith Newman presented Victory Plaza located at the southwest corner of Greenfield and Queen Creek Roads across from the South Area Service Center. The property is approximately 7 gross acres or 5.5 net acres. The proposal is for a Minor General Plan Amendment to change from Residential >0-1 DU/Acre to Community Commercial (CC) and a rezoning request to go from Single Family-35 and Single Family-43 to Community Commercial with a PAD overlay. The applicant is requesting a few deviations related to landscaping and building setbacks.

The development plan has three pad sites along the Queen Creek Road frontage with a couple fast food pads, a sit-down restaurant pad at the northeast corner and a strip retail building towards the south. The total square footage of all the buildings on the site is over 36,000 SF. The applicant is proposing to develop community-based retail development which they feel will support surrounding residents, employees of the South Area Service Center to the north as well as employees and visitors to the Gilbert Memorial Park and the funeral home. This will be one of the only commercial corners along Greenfield Road south of the 202. The applicant feels this development is highly needed in this location.

According to the Land Development Code, the requirement for the side building setback is 30 feet and the side landscape setback is 25 feet. The applicant is proposing that both of those setbacks be one and the same at 15 feet along the southern boundary. The proposed charter school south of the subject site has not yet submitted their construction permits. The applicant has stated that the charter school and the proposed commercial are compatible with each other and therefore feels the charter school does not need as much of a buffer along that south boundary. Staff is hesitant to support this deviation as construction of the charter school to the south has not yet commenced, although they plan to submit construction plans within the next several weeks. If the charter school moves forward, staff would be more supportive of that deviation request. Staff tends to agree with the applicant that the landscape area of 15 feet is wide enough to be able to plant trees and there is also a building

separation between the south property line and where the buildings are constructed of over 60 feet. If the charter school is not built, staff would be hesitant to support that deviation. The applicant would like to reduce the arterial to arterial landscape setback slightly and eliminate parking spaces. The applicant's justification for this request is that the site is constrained by its size and the drive aisle alignment requirements regarding the entrance on Greenfield Road have further constrained the site. Staff is not in support of this modification as it appears the applicant may be overbuilding the site a little bit and as a result cannot meet the minimum parking requirements. Staff has provided first review comments to the applicant that they may need to redesign the site to be able to fit the 11 parking stalls and potentially reduce the size of the strip building along the south to comply with the parking requirement. The properties at the northeast and northwest corners at this intersection have provided the 50' by 250' arterial to arterial intersection landscape setback. This is a standard that the town has not deviated from in the past. A neighborhood meeting was held on August 6 at a nearby school and 12 residents attended. There were a few concerns raised by those residents about changing the land use to commercial and the character of the site being surrounded by residential on the west, the proposed charter school on the south as well as a church across the street.

Staff is requesting input from the Commission on the overall design of the site and the requested deviations.

#### **COMMISSION QUESTIONS/COMMENTS:**

Vice Chair Bloomfield asked if one of the arterials was a major arterial with the other being minor.

Mr. Newman believed they were both major arterials although he was not 100 percent positive. If one was minor, it would be Greenfield.

Vice Chair Bloomfield's preference would be to not grant the variance regarding the 50' by 250' arterial intersection landscape setback. It seems that there is plenty of room to work it around and make it possible to meet that criteria. The applicant may have to work on reconfiguring the site layout a little bit although he believed they could make it happen. He liked the idea of there being a commercial pocket there especially close to the park. He noted that the northeast corner was commercial at one point and was changed to residential in the last couple of years. To Commissioner Alibrandi's point, that may have been a little short-sighted as we moved the park down there. Now we see this project coming in and looking to encroach onto the lower density area. It would have been preferred to take it up on the other side, but it is a much larger site and he is not sure there would have been enough justification for that much commercial. In that regard, he liked the site and felt it was a nice size and fits the area. He was generally in favor of the General Plan Amendment and zoning case, although had concerns regarding the 50' by 250' intersection landscape setback. If a variance was absolutely required, he would suggest that it go on the Greenfield side if that is a minor arterial to allow as much open space and buffer to the very busy street of Queen Creek.

Commissioner Mundt was concerned that they are starting out with a zoning change and then immediately looking for consolations. He agreed that it is a very nice location and given the park having some commercial there, it probably is prudent. From a strict zoning perspective, he thought it was acceptable. He felt the design should attribute a little more effort into making it work prior to asking for consolations.

Commissioner September felt the area was commercially underserved and he was okay with the General Plan Amendment and zoning change. He agreed with Commissioner Mundt and was not a big fan of the deviation request for the intersection landscape setback. These are two very busy roads and they will only get busier over time. That aesthetic that we enjoy at every other intersection is something that he would like to see the applicant adhere to with this project. With respect to the property to the south and its proposed development, it is good to hear that someone is submitting plans, but plans do not always turn into a development. That could change. Regarding the south setback being reduced to 15 feet, he felt there was a way to utilize landscaping to create a visual buffer. The case for the satellite earth station did a nice job with the trees to create that canopy effect. He would like to see something along those lines if that is something the applicant would entertain.

Commissioner Alibrandi appreciated Commissioners Mundt and September's comments about asking for zoning changes and also looking for some sort of accommodation. On the flip side, he appreciated the honesty of the

applicant in what they are looking for rather than having those requests made at the last minute. He liked the comments to find a way to stay within compliance. It is his philosophy that there better be a really good reason for an exception and there better be something in it for the town.

**6. GP19-14 MELROSE COMMERCIAL: Request for Minor General Plan Amendment to change the land use classification of approx. 5.03 gross acres generally located at the northeast corner of Val Vista Drive and Melrose Street from Business Park (BP) to General Commercial (GC).**

**Z19-26 MELROSE COMMERCIAL: Request to rezone approx. 5.03 gross acres generally located at the northeast corner of Val Vista Drive and Melrose Street from Business Park (BP) zoning district with a Planned Area Development (PAD) overlay to General Commercial (GC).**

Planner Sydney Bethel presented Melrose Commercial, request for a Minor General Plan Amendment and rezone. The subject site is approximately five gross acres zoned Business Park with a PAD overlay located at the northwest corner of Val Vista Drive and Melrose Street. In this area, the Acero Val Vista was presented earlier in the agenda for a zoning change to multi-family. The subject site is located within the Val Vista Medical Growth Area. The intent in this area is for medical offices supporting a hospital. This Growth Area was created after the hospital was constructed in 2006, which then spurred development along with the 202 Freeway. Back in 2004 before the hospital was constructed, the area was mostly farm land and single-family homes.

The request is for a Minor General Plan Amendment from Business Park (BP) to General Commercial (GC) and a rezoning from Business Park (BP) with a PAD overlay to conventional General Commercial (GC). The site would be pulled out of the existing Planned Area Development and the applicant is not requesting any deviations. The applicant has provided a site plan for reference only as this is not a PAD request. The reason for the rezoning request and the GP is to allow for two drive-through restaurants and a fueling station. Business Park does allow restaurants as long as they do not front arterials, although drive-throughs and gas stations are not permitted. General Commercial is being proposed in order to allow these uses. Elevations were provided for reference only. The applicant's reasons for the change is that they would like to have commercial elements to support the existing medical offices and hospital, to provide a service to the area along with a gas station to serve residents on their way to the 202 Freeway. Letters of support for this project have been provided by the Chamber of Commerce as well as adjacent property owners.

Staff is requesting general feedback from the Commission on the zoning change as well as the change from employment to commercial in the Val Vista Medical Growth Area.

**COMMISSION QUESTIONS/COMMENTS:**

Commissioner Simon thought this was a great use for this piece of property. The northbound traffic heading to the 202 in the morning needs services.

Vice Chair Bloomfield stated that back when development started in this area and the hospital was built, there was a mad dash to do a whole bunch of General Plan and zoning changes there. The town took it over and decided to form an overall plan for the area. Staff has held to this plan very diligently and it is developing out nicely. As the economy is coming back and there is a lot of construction going on around the hospital, he was a little torn as to whether or not to hold tight to that General Plan, the Growth Area and all of the planning that took place 15 years ago. He felt this was a piece that made the most sense to do that. He was still on the fence for this proposal.

**7. DISCUSSION OF REGULAR MEETING AGENDA:**

Chair Andersen recommended that a few items on the non-consent agenda be moved to the consent calendar if there were no requests to speak on those items from the public. Those items are 18. GP19-11 and 19. Z19-23 for The Murphy and 20. GP19-12 and 21. Z19-24 for Val Vista Square.

The Commission agreed to move those items to the Consent Calendar if there was no public comment.

## **ADJOURN STUDY SESSION**

With no further business before the Commission, Chair Andersen adjourned the Study Session at 6:25 p.m.

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Brian Andersen, Chairman

ATTEST:

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Dana Desing, Recording Secretary

DRAFT



## MEMO

TO: Town Council  
FROM: Gilbert Chamber Board of Directors  
DATE: November 21, 2019

**RE: Downzoning at Acero Val Vista (NEC of Melrose and Quartz)**

The Gilbert Chamber is very careful when reviewing general plan amendment and re-zoning applications that propose to convert any amount of employment land to a residential use. However, there are occasions when we find that such land use changes are justified based on changing demographics and economic models.

This is an approximate 55-acre property which is currently zoned Regional Commercial. The request is to downzone 14.8-acres of the northwest corner of the property to allow for multi-family to be built, leaving the remaining 40-acres available for commercial development complementing the medical corridor established in this area.

After careful consideration, the Public Policy committee and Board of Directors support this request with a stipulation that Melrose and Quartz Roads are constructed and the right of way is dedicated to the Town of Gilbert.

Please contact Kathy Tilque if you have any questions at 480-892-1103.



# Acero Val Vista

## NEC of Melrose and Quartz Streets Gilbert, Arizona

### Minor General Plan Amendment and Rezoning Narrative



Prepared for:



IDM Companies, Inc.

**Submitted by:**

W. Ralph Pew  
Pew & Lake, PLC  
1744 S. Val Vista Drive, Suite 217  
Mesa, AZ 85204

**Submitted to:**

The Town of Gilbert

**August 15, 2019**

Contents

Development Team .....3

About IDM Companies .....3

Project Overview .....4

Relationship to Surrounding Properties .....4

Existing General Plan Designation and Zoning Classification .....5

Zoning History.....7

Our Requests .....8

Conceptual Development Plan .....8

General Plan Analysis .....9

Zoning Analysis ..... 14

Neighborhood Outreach..... 14

Conclusion ..... 14

## Development Team

### Applicant

Mr. W. Ralph Pew  
Pew & Lake, PLC  
1744 South Val Vista Drive, Suite 217  
Mesa, AZ 85204  
ralph.pew@pewandlake.com

### Property Owner

Mr. Ty LeSueur  
LeSueur Investments II, LLC  
3850 East Baseline Road, Suite 114  
Mesa, AZ 85206  
ty@lesueurinvestments.com

### Developer

Mr. Brad Richardson  
IDM Companies  
7025 E. Greenway Parkway, Suite 520  
Scottsdale, AZ 85255  
bradly.richardson@idmcompanies.com

### Architect

Mr. Brian Andersen  
BMA architecture, llc  
207 North Gilbert Road, Suite 001  
Gilbert, AZ 85234  
brian@bmaarchitecture.com

## About IDM Companies

Headquartered in Vancouver, Washington, IDM has been developing and managing high-quality live, work and business spaces in the greater Portland, OR area since 1993. The friendly and proactive staff at IDM manages their portfolio of properties with a concierge-style approach – which is designed to enhance the day-to-day experiences of the residents. Unlike most multi-family developers who sell projects at completion, IDM builds projects that it plans to own for generations. This approach aligns the company with the neighborhoods in which they develop and creates a symbiotic relationship between the success and maintenance of a project and the overall enhancement of a neighborhood.

IDM has maintained continued growth in the multi-family industry by adhering to a strategic vision based on values of faith, respect and integrity. Unlike many other multi-family developers, IDM manages the operations of the communities they develop. Each venture into a new community is viewed as a long-term investment. Currently operating in three states, IDM is expanding further into the Pacific Northwest and Southwest regions. Acero Val Vista will be their second foray into the Town of Gilbert. Acero Cooley Station near Recker and Williams Field Roads is presently in the construction phase of development and is expected to open in 2020.

## Project Overview

Pew & Lake PLC, on behalf of IDM Companies and LeSueur Investments, is pleased to submit this project narrative and Conceptual Site Plan for Acero Val Vista, a proposed multifamily development on 14.8 gross acres located at the northeast corner of Melrose and Quartz Streets in the Town of Gilbert. The proposed development site is part of a larger, +/-55-acre piece of vacant, agricultural property that is zoned Regional Commercial (RC). It is known as Maricopa County Parcel Number 304-54-016H and the approximate boundaries of the proposed development site are shown below.



## Relationship to Surrounding Properties

The subject site is surrounded by a variety of land uses. Directly west of the site are two schools—Quartz Hill Elementary School and Campo Verde High School. Immediately north of the site are

two new senior housing developments- an assisted living and memory care campus and an active adult multi-family development known as The Aspens at Mariposa Point. Further north is the Copper Point business park. There are small commercial properties along Val Vista Drive that include a QT gas station, car wash and Dutch Bros. coffee. Directly south of the site is a vacant 36-acre parcel with frontage along Val Vista Drive and Germann Road- major arterials in the Town of Gilbert.

Further to the north of the 202 Freeway there is a major commercial core within the Town of Gilbert, with a large auto mall and major retail development including San Tan Village and San Tan Village Marketplace. To the east is Mercy Gilbert, a regional hospital and medical campus with a significant amount of medical office space.

|                     | General Plan Designation            | Zoning                              | Existing Use                            |
|---------------------|-------------------------------------|-------------------------------------|---|
| North               | Regional Commercial/Shopping Center | Regional Commercial/Shopping Center | Senior Living Facilities/ Business Park |
| South               | Regional Commercial/GC and Res>1-2  | Regional Commercial/GC and SF-D     | Vacant                                  |
| East                | Regional Commercial/ Business Park  | Regional Commercial/ Business Park  | Vacant/QuikTrip Dutch Bros              |
| West                | Public Facility/Institutional       | Public Facility/Institutional       | Campo Verde High School                 |
| <b>Project Site</b> | <b>Regional Commercial</b>          | <b>Regional Commercial</b>          | <b>Vacant Agricultural</b>              |

## Existing General Plan Designation and Zoning Classification

As shown above and in the graphics on the next page, the site is currently designated as Regional Commercial (RC) in the Town of Gilbert General Plan and on the Zoning map.



**Town of Gilbert General Plan Map**

**General Plan**  
**LAND USE CLASSIFICATIONS**

- Residential > 0 - 1 DU/Acre (SF-43, SF-35)
- Residential > 1 - 2 DU/Acre (SF-35, SF-15)
- Residential > 2 - 3.5 DU/Acre (SF-15, SF-10, SF-8, SF-7)
- Residential > 3.5 - 5 DU/Acre (SF-10, SF-8, SF-7, SF-7)
- Residential > 5 - 8 DU/Acre (SF-8, SF-7, SF-7)
- Residential > 8 - 14 DU/Acre (SF-7, SF-7, SF-7)
- Residential > 14 - 25 DU/Acre (MFM)
- Residential > 25 - 60 DU/Acre
- Village Center (VC)
- Neighborhood Commercial (NC)
- Community Commercial (CC)
- Shopping Center (SC)
- General Commercial (GC)
- Regional Commercial (RC)
- Neighborhood Office (NO)
- General Office (GO)
- Business Park (BP)
- Light Industrial (LI)
- General Industrial (GI)
- Golf Course (GFC)
- Parks/Recreation (PR)
- Public Facility/Institutional (PF)
- Utility/Transportation (UT)

**Map Labels:** SANTAN, FREEWAY, GERMANN, LO, R-1-2, R-2-3.5, R-3-5, R-4-1, R-5-8, R-6-1, R-7-7, R-8-1, R-10-1, R-12-1, R-15-1, R-20-1, R-25-1, R-30-1, R-35-1, R-40-1, R-45-1, R-50-1, R-55-1, R-60-1, R-65-1, R-70-1, R-75-1, R-80-1, R-85-1, R-90-1, R-95-1, R-100-1, R-105-1, R-110-1, R-115-1, R-120-1, R-125-1, R-130-1, R-135-1, R-140-1, R-145-1, R-150-1, R-155-1, R-160-1, R-165-1, R-170-1, R-175-1, R-180-1, R-185-1, R-190-1, R-195-1, R-200-1, R-205-1, R-210-1, R-215-1, R-220-1, R-225-1, R-230-1, R-235-1, R-240-1, R-245-1, R-250-1, R-255-1, R-260-1, R-265-1, R-270-1, R-275-1, R-280-1, R-285-1, R-290-1, R-295-1, R-300-1, R-305-1, R-310-1, R-315-1, R-320-1, R-325-1, R-330-1, R-335-1, R-340-1, R-345-1, R-350-1, R-355-1, R-360-1, R-365-1, R-370-1, R-375-1, R-380-1, R-385-1, R-390-1, R-395-1, R-400-1, R-405-1, R-410-1, R-415-1, R-420-1, R-425-1, R-430-1, R-435-1, R-440-1, R-445-1, R-450-1, R-455-1, R-460-1, R-465-1, R-470-1, R-475-1, R-480-1, R-485-1, R-490-1, R-495-1, R-500-1, R-505-1, R-510-1, R-515-1, R-520-1, R-525-1, R-530-1, R-535-1, R-540-1, R-545-1, R-550-1, R-555-1, R-560-1, R-565-1, R-570-1, R-575-1, R-580-1, R-585-1, R-590-1, R-595-1, R-600-1, R-605-1, R-610-1, R-615-1, R-620-1, R-625-1, R-630-1, R-635-1, R-640-1, R-645-1, R-650-1, R-655-1, R-660-1, R-665-1, R-670-1, R-675-1, R-680-1, R-685-1, R-690-1, R-695-1, R-700-1, R-705-1, R-710-1, R-715-1, R-720-1, R-725-1, R-730-1, R-735-1, R-740-1, R-745-1, R-750-1, R-755-1, R-760-1, R-765-1, R-770-1, R-775-1, R-780-1, R-785-1, R-790-1, R-795-1, R-800-1, R-805-1, R-810-1, R-815-1, R-820-1, R-825-1, R-830-1, R-835-1, R-840-1, R-845-1, R-850-1, R-855-1, R-860-1, R-865-1, R-870-1, R-875-1, R-880-1, R-885-1, R-890-1, R-895-1, R-900-1, R-905-1, R-910-1, R-915-1, R-920-1, R-925-1, R-930-1, R-935-1, R-940-1, R-945-1, R-950-1, R-955-1, R-960-1, R-965-1, R-970-1, R-975-1, R-980-1, R-985-1, R-990-1, R-995-1, R-1000-1, R-1005-1, R-1010-1, R-1015-1, R-1020-1, R-1025-1, R-1030-1, R-1035-1, R-1040-1, R-1045-1, R-1050-1, R-1055-1, R-1060-1, R-1065-1, R-1070-1, R-1075-1, R-1080-1, R-1085-1, R-1090-1, R-1095-1, R-1100-1, R-1105-1, R-1110-1, R-1115-1, R-1120-1, R-1125-1, R-1130-1, R-1135-1, R-1140-1, R-1145-1, R-1150-1, R-1155-1, R-1160-1, R-1165-1, R-1170-1, R-1175-1, R-1180-1, R-1185-1, R-1190-1, R-1195-1, R-1200-1, R-1205-1, R-1210-1, R-1215-1, R-1220-1, R-1225-1, R-1230-1, R-1235-1, R-1240-1, R-1245-1, R-1250-1, R-1255-1, R-1260-1, R-1265-1, R-1270-1, R-1275-1, R-1280-1, R-1285-1, R-1290-1, R-1295-1, R-1300-1, R-1305-1, R-1310-1, R-1315-1, R-1320-1, R-1325-1, R-1330-1, R-1335-1, R-1340-1, R-1345-1, R-1350-1, R-1355-1, R-1360-1, R-1365-1, R-1370-1, R-1375-1, R-1380-1, R-1385-1, R-1390-1, R-1395-1, R-1400-1, R-1405-1, R-1410-1, R-1415-1, R-1420-1, R-1425-1, R-1430-1, R-1435-1, R-1440-1, R-1445-1, R-1450-1, R-1455-1, R-1460-1, R-1465-1, R-1470-1, R-1475-1, R-1480-1, R-1485-1, R-1490-1, R-1495-1, R-1500-1, R-1505-1, R-1510-1, R-1515-1, R-1520-1, R-1525-1, R-1530-1, R-1535-1, R-1540-1, R-1545-1, R-1550-1, R-1555-1, R-1560-1, R-1565-1, R-1570-1, R-1575-1, R-1580-1, R-1585-1, R-1590-1, R-1595-1, R-1600-1, R-1605-1, R-1610-1, R-1615-1, R-1620-1, R-1625-1, R-1630-1, R-1635-1, R-1640-1, R-1645-1, R-1650-1, R-1655-1, R-1660-1, R-1665-1, R-1670-1, R-1675-1, R-1680-1, R-1685-1, R-1690-1, R-1695-1, R-1700-1, R-1705-1, R-1710-1, R-1715-1, R-1720-1, R-1725-1, R-1730-1, R-1735-1, R-1740-1, R-1745-1, R-1750-1, R-1755-1, R-1760-1, R-1765-1, R-1770-1, R-1775-1, R-1780-1, R-1785-1, R-1790-1, R-1795-1, R-1800-1, R-1805-1, R-1810-1, R-1815-1, R-1820-1, R-1825-1, R-1830-1, R-1835-1, R-1840-1, R-1845-1, R-1850-1, R-1855-1, R-1860-1, R-1865-1, R-1870-1, R-1875-1, R-1880-1, R-1885-1, R-1890-1, R-1895-1, R-1900-1, R-1905-1, R-1910-1, R-1915-1, R-1920-1, R-1925-1, R-1930-1, R-1935-1, R-1940-1, R-1945-1, R-1950-1, R-1955-1, R-1960-1, R-1965-1, R-1970-1, R-1975-1, R-1980-1, R-1985-1, R-1990-1, R-1995-1, R-2000-1, R-2005-1, R-2010-1, R-2015-1, R-2020-1, R-2025-1, R-2030-1, R-2035-1, R-2040-1, R-2045-1, R-2050-1, R-2055-1, R-2060-1, R-2065-1, R-2070-1, R-2075-1, R-2080-1, R-2085-1, R-2090-1, R-2095-1, R

**Town of Gilbert General Plan Map**

**General Plan LAND USE CLASSIFICATIONS**

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- Residential > 1 - 2 DU/Acre (SF-35, SF-15)
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- Shopping Center (SC)
- General Commercial (GC)
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- Neighborhood Office (NO)
- General Office (GO)
- Business Park (BP)
- Light Industrial (LI)
- General Industrial (GI)
- Golf Course (GC)
- Park/Retention (PR)
- Public Facility/Institutional (PF)
- Utility/Transportation (UT)

## Zoning History

|                 |  |
|-----------------|--|
| 1996-1998:      | LeSueur Investments (et al) purchased and assembled the 80 acres located at the NWC of Val Vista and Germann Roads.  |
| December 2003:  | Banner Health approached LeSueur Investments about purchasing the north 40 acres of the above-referenced property.   |
| 2004:           | Banner Health pursued commercial entitlements necessary to construct a hospital campus with a heliport in Maricopa County, with the Town of Gilberts approval.   |
| 2005:           | Banner Health notified LeSueur Investments that Mercy Gilbert Health was moving forward with the construction of a hospital on the east side of Val Vista, and therefore Banner abandoned plans to construct a hospital. LeSueur Investments exercised contractual rights to repurchase the north 40 acres.  |
| September 2007: | The north 40 acres were annexed into the Town of Gilbert (Ord. No. 2074), anticipated as a commercial use.   |
| November 2007:  | The north 40 are zoned in the Town of Gilbert (Z07-101) from RU-43 (Maricopa County Zoning) to Regional Commercial (RC) in the Town of Gilbert. It is important to note that at this time multi-family was an allowed use (with a conditional use permit) in the RC Zoning District. The property owner fully anticipated that a portion of the newly-zoned RC property would be developed for multi-family uses as part of the overall master plan. |
| January 2008:   | Duke Realty purchased the northernmost half of the 40 acres with plans for a Class A Office Complex. The Project is never constructed as contemplated and Duke sells the Property in 2015.   |
| August 2009:    | Campo Verde High School is constructed and opens.  |
| 2015 thru 2018: | Via West developed an Assisted Living Facility, Senior Living Apartment Complex, and Retail Pads.  |
| June 2019:      | The Town of Gilbert Amended the Zoning Code to remove Multi-Family as an allowed use within the RC Zoning district.  |

## Our Requests

Our requests to the Town of Gilbert are:

1. A minor General Plan Amendment on 14.88 acres of property from Regional Commercial (RC) to Residential > 14-25 du/ac (MF/M), and
2. A rezone of 14.88 acres of property from Regional Commercial to Multi-family/Medium (MF/M).

Approval of these requests will provide for the development of a 328-unit multi-family community that will allow the current property owners to “right-size” the overall parcel for commercial uses. By bringing new residents to this area, the marketability of the remaining 40-acre commercial property will increase. Acero Val Vista will bring a high-quality, multi-family use that will be of a superior level of design quality and that will complement and enhance the surrounding area by contributing to the diversity of housing options in the vicinity. Moreover, the proposed development described in this application has been designed to retain the arterial corner of Val Vista and Germann for RC uses in a format that is realistic and sustainable for the Town of Gilbert.

## Conceptual Development Plan

As noted previously, Acero Val Vista is proposed to be a 328-unit multi-family community. The primary entrance into the gated community will be via Melrose Street, with a secondary access point on Quartz Street. The entire community will be comprised of twenty-four residential buildings that are either two- or three-stories tall. None of the buildings are over 40-feet tall, which is the allowable height in the MF/M zoning district and is well below the 90-foot allowable height in the Vertical Overlay District, in which this property is situated. Within these residential buildings are apartment units that range from 768 to 1,330 square feet. As shown on the elevations on the cover of this narrative, the architecture is proposed to be modern and clean, with a minimum of applied materials.

There will be two amenity areas in Acero. The main amenity area, located at the primary entry into the community will feature a single-story clubhouse, resort-style swimming pool, cabanas and outdoor barbeque area. The smaller, secondary amenity area will have a community garden, walking path, dog park and a tot lot.

As shown on the site plan, the proposed development meets all the code requirements for



parking. There are a total of 618 parking spaces, with the required mix of standard spaces, covered spaces and garaged spaces.

## General Plan Analysis

The Town's General Plan Amendment application procedures recommend that the applicant and address the following factors:

### A. Why is the current General Plan designation not suitable?

There are a number of reasons that the General Plan designation for this property is unsuitable. They are:

1. the location of this property at the intersection of two collector streets,
2. many of the hospital/medical uses that are permitted in the RC district have already located and will continue to be located across Val Vista Drive,
3. the proximity of this parcel to the schools,
4. the reduced format of retail development as well as the changing landscape of retail development has reduced the need for RC properties in Gilbert and other parts of the Valley.

The following paragraphs address in greater detail, the bullet points addressed above.

**Location:** The location of this property at the intersection of two collector streets makes typical Regional Commercial development improbable. As shown on the Town's General Plan Land Use map, RC property in Gilbert is typically located adjacent to arterial streets, or along the 202 Freeway. This is due to the fact that these sites feature easy access or enhanced visibility. The proposed development site is 400 feet from Val Vista Drive, over 600 feet from the 202 Freeway and over 1,330 feet from Germann Road. At these distances, there is no opportunity for arterial or freeway signage and access is not simple.

It is also worth noting that the Town's Transportation Master Plan requires Melrose Street to extend west from Val Vista to Quartz Street in the configuration and location as shown on the development plan. This location of Melrose Street creates the ideal dividing line between RC and the proposed MFM uses. As a Town-designated collector street the property owner and developer have no authority to change the location or configuration of Melrose Street.

**Lack of Suitability for a Medical Use:** When Banner Hospital was considering locating a hospital

in Gilbert in the early 2000's, this site was under consideration as a location for the hospital. The ultimate development of a competitor, Mercy Gilbert Hospital, across Val Vista created the Town's nexus for medical office uses. This has impaired the ability of the property owner to market this property for a medical office use, one of the larger uses allowed in the Regional Commercial category. There are still approximately 90 acres of undeveloped property immediately adjacent to the Mercy Gilbert Hospital. Until that land is developed, companies that are interested in locating near a hospital will understandably locate on the east side of Val Vista Drive.

**Proximity to Schools:** Another one of the impediments to the development of this property for typical RC uses is the proximity to Campo Verde High School and Quartz Hill Elementary School. Many of the permitted uses in the Regional Commercial land use category anticipate the sale of alcoholic beverages. The proximity of this parcel to both an elementary and high school render the westernmost 300 feet of the site as undevelopable for a retail or restaurant use that would serve alcohol on the premises. As detailed further below, the new atmosphere for retail development is heavily dependent on restaurant and entertainment uses.

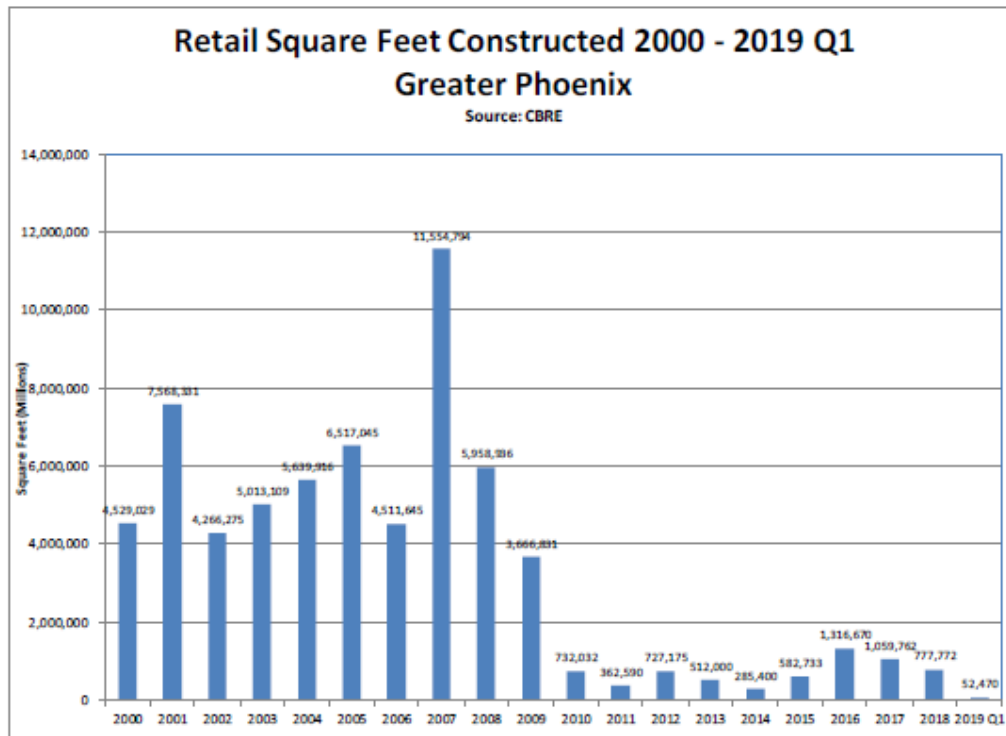
**Changing Landscape of Retail Development:** As further detailed in the *Apartment & Retail Market Analyses* provided with the application materials, developers have learned that there is a new reality in retail development that has resulted from structural changes in the economy. Some of the trends and challenges that have resulted from the last recession are shown below:

- a) **Domination:** Over the last few decades, retail in general became dominated by existing big box retailers and power/community shopping centers. Regionally, there are now limited opportunities for those types of developments and big box vacancy is a persistent issue as these retailers downsize or "shrimpbox" their space needs.
- b) **Obsolescence:** Retailing is constantly changing, resulting in some companies going out of business as others are entering the marketplace. Currently, restaurants and value-oriented retail are the most viable in the market and actively expanding.
- c) **Greater Phoenix is Over-Retailed:** Because of the region's tremendous history of growth, virtually all national retail chains want to be here, resulting in more retail space than is demanded by the population.
- d) **Consolidation:** As retail market conditions change, consolidation of companies within the industry occurs. This trend is particularly evident in the grocery store sector.
- e) **Internet or E-Commerce Sales:** E-commerce will continue to grow for the foreseeable future. This places more emphasis for development opportunities on restaurants, entertainment, and other experiential retail.

In 2007, the year before the recession hit, 11.6 million square feet of retail space was constructed in the Greater Phoenix area. This date coincides with the date of the rezoning of this property from Maricopa County Rural Residential to Town of Gilbert Regional Commercial, a zoning district that allowed both traditional retail as well as multi-family uses. At that time, this RC

Zoning District was considered to be a strategic decision by the property owner to capitalize on a growing commercial market. In hindsight, however, that choice was a miscalculation and overly optimistic of the ability of the market to continue growing at its pre-recession pace. Since 2010—nearly a decade since—only 6.4 million square feet of retail space has been completed in the Valley, which is one-half the total of the square footage built in the year 2007. This means that only an average of 700,000 square feet of retail was built per year after 2007. To put this reduced construction volume in perspective—if this site was developed using a typical Regional Commercial FAR of .25, nearly all of the annual retail square footage in the Greater Phoenix area constructed over the past decade could be contained on this single site. It is not only improbable, but unreasonable to think that the entire square footage of annual retail construction of the Phoenix Metropolitan area would be developed at this single location.

As shown in the graphic below, construction of retail space in the Valley over the past nine years nowhere near approaches the pre-recession level, nor is it anticipated to recover to that extent at any time.



In summary, 55 acres of Regional Commercial property at this location is just not viable—medical users, big-box users or smaller retailers are not able or willing to commit to the square footage necessary to make a Regional Commercial center successful at this location. Changing 15 acres of this RC property to a multi-family use still leaves approximately 40 acres of land located along major arterials for RC development.

**B. How the proposed change is compatible with adjacent properties and other elements of the General Plan.**

Typical land use patterns result in multi-family development occurring where there are buffers from traditional single-family residential uses and exist adjacent to other higher intensity uses. In this regard, the proposed location for Acero Val Vista is ideal in that it will be significantly separated from the traditional single-family residential communities that are closest to the site, and nestled among two schools, senior housing and a commercial parcel remaining on Val Vista Drive. The nearest single-family residential community is south of Germann Road. Known as The Villages at Val Vista, it is 1380 feet, or one-quarter of a mile from the development site. In addition to this site being ideal for multi-family from a land-planning viewpoint, it is ideal in this precise location in that it will provide a diversity of housing options to support employees of major employers along the 202, as well as provide workforce housing for the employees of the hospital and related medical offices across Val Vista Drive and residents who utilize the development of the RC uses south of this site.

**C. Any unique physical characteristics of the site that present opportunities or constraints for development under the existing designation.**

The site is flat and unremarkable in its topography and unencumbered by any physical impediments to its development. There are legal impediments to the development of this property for typical regional commercial uses—many of the permitted uses in the Regional Commercial land use category anticipate the selling of alcohol in restaurants. The proximity of this parcel to both an elementary and high school render the westernmost 300 feet of the site as undevelopable for a retail or restaurant use that would serve alcohol on the premises. As noted above, the new retail climate for development relies heavily on restaurant and entertainment uses.

**D. Explanation on the availability of public utilities and services.**

Public utilities are available to the site in the form of both water and sewer lines in both Quartz Street and Val Vista Drive. It is worth noting that with the development of Acero Val Vista, collector half-street improvements will be completed on both Melrose and Quartz Streets.

The proposed development will not place an undue burden on the traffic patterns in the immediate vicinity. Residents who need access to the 202 freeway will likely exit the community by making a right-turn onto Quartz Street and proceed to the traffic signal at Willis and Val Vista. As detailed in the *Traffic Impact Study* provided with the application materials, a traffic signal is currently warranted at the intersection of Val Vista and Melrose Street, and it is recommended that the Town install the signal accordingly. The addition of Acero Val Vista is expected to contribute a modest 2.0% an increase in morning traffic and 3.1% increase in afternoon traffic

when the project is built in 2020.

**E. The proposed fiscal impact of future development based on the evaluation of projected revenue and the additional cost of providing public facilities and services to accommodate projected increases or decreases in population.**

As detailed in the *Economic & Fiscal Impact Report* provided with the application materials, in primary revenue alone, the Town of Gilbert will see a benefit of over \$3,000,000 with the development of this project. This primary revenue includes construction, use and building permit/impact fees. Additionally, in secondary revenues like new resident spending and state shared revenues, the Town will receive an estimated \$386,000 per year.

| <b>Fiscal Impact Summary<br/>Acero Val Vista Apartment Homes<br/>Town of Gilbert<br/>(2019 Dollars)</b>  |                    |
|--|--------------------|
| <b>Construction (Over All Phases)</b>  |                    |
| <i>Primary impact</i>  |                    |
| Construction sales tax   | \$409,500          |
| Use tax  | \$18,000           |
| Building Pmit/Impact Fees  | \$2,900,000        |
| <i>Secondary impact from employees</i>   |                    |
| Employee sales tax   | \$39,900           |
| Residential property tax   | \$27,700           |
| State shared revenues  | \$9,000            |
| <b>Total impact from construction</b>  | <b>\$3,404,100</b> |
| <b>Operations (Annual at Buildout)</b>   |                    |
| Retail/R&B Sales Tax   | \$73,000           |
| Commercial Lease Tax   | \$75,100           |
| Utility Tax  | \$9,600            |
| Property tax   | \$41,500           |
| State shared revenue (residents)   | \$185,800          |
| <i>Secondary impact from employees</i>   |                    |
| Employee sales tax   | \$590              |
| Residential property tax   | \$590              |
| State shared revenues  | \$140              |
| <b>Total annual impact from operations</b>   | <b>\$386,320</b>   |
| <small>NOTE: All of the above figures are representative of the major revenue sources for the Town. The figures are intended only as a general guideline as to how the Town could be impacted by the project. The above figures are based on the current economic structure and tax rates of the Town.</small> |                    |
| <small>Sources: IDM Companies; EDPCo; IMPLAN; ADOR; ATRA</small>   |                    |

If Acero Val Vista develops as proposed, it is projected to have a population of 626 residents. (1.75 persons per household; Maricopa County average apartment HH size) With the Town's current population of 245,000, the addition of 626 residents represents only a 0.0025 percent increase in population. This is a negligible increase and will have an imperceptible impact on the continued ability of the Town to provide facilities and services to its residents, especially

given the revenue stream projected to be realized from the development of Acero Val Vista.

**F. How the proposed amendment affects the ability of the community to sustain the physical and cultural resources, including air quality, water quality, energy, natural and human-made resources necessary to meet demands of present and future residents.**

The proposed amendment does not diminish the ability of the Town to sustain its physical and cultural resources. If this proposed amendment is approved, the resulting increase in population in the Town will have an inconsequential impact on air or water quality, natural or human-made resources. The Town of Gilbert is a beautiful and sustainable community that provides great neighborhoods for its residents. By contributing to the diversity of housing options in this area, the proposed residential community will serve to enhance, not detract from the Town of Gilbert's ability to continue to serve as one of the country's best cities in which to live.

## Zoning Analysis

As proposed, Acero Val Vista will be developed with 328 dwelling units at a density of 22.0 DU/AC. This density falls squarely within the prescribed density of 14-25 DU/AC in the MF/M zoning district. As shown on the development standards table provided as Appendix A of this narrative, there are no deviations from the Town's Land Development Code requested with this application. Accordingly, we are seeking a conventional rezoning of the property. Moreover, this proposed development will be compatible with the surrounding structures and uses including the assisted living and active adult communities to the north, and the educational uses to the west. As previously discussed, this location presents an ideal opportunity for multi-family development in the Town of Gilbert.

## Neighborhood Outreach

Pursuant to the procedures outlined in the Town's Land Development Code, the applicant, developer and property owner held a neighborhood meeting on October 16, 2018. Seven neighbors attended along with members of the development team and a representative from the Town's planning staff. A summary of the meeting has been included with the application materials. Questions asked at the meeting focused primarily on buffering techniques and the proposed quality of the development.

## Conclusion

When approved, the requests discussed in this narrative would allow for the addition of a new, multifamily residential community located at an ideal location in The Town of Gilbert, while preserving a viable amount of commercial property on the arterial roadways. The applicant, developer and property owner look forward to receiving input on this application and working with Town staff to implement a realistic land use on this property.